



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-3873
PHONE: (213) 974-8301 FAX: (213) 626-5427

WENDY L. WATANABE
AUDITOR-CONTROLLER

JUDI E. THOMAS
CHIEF DEPUTY

ASST. AUDITOR-CONTROLLERS

ROBERT A. DAVIS
JOHN NAIMO
JAMES L. SCHNEIDERMAN

August 2, 2012

TO: Audit Committee

FROM: Wendy L. Watanabe
Auditor-Controller

Wendy L. Watanabe
by [signature]

SUBJECT: **SUNSET REVIEW FOR THE LOS ANGELES COUNTY QUALITY AND
PRODUCTIVITY COMMISSION**

RECOMMENDATION

The Audit Committee recommend to the Board of Supervisors (Board) to extend the Los Angeles County Quality and Productivity Commission's (QPC or Commission) sunset review date to December 31, 2016.

BACKGROUND

The Board established and has continued the Commission pursuant to Los Angeles County Code Chapter 3.51. The Board approved the most recent sunset review date extension in May 2007.

The QPC provides advice, assistance, and support to the Board, the Chief Executive Office (CEO), and other County departments to promote the effectiveness, efficiency, and quality of County public services.

The Commission has 17 members; ten members are recommended jointly by the CEO and the Commission Chairperson, and are approved by the Board; and one member is appointed by each of the Supervisors. There are also two ex-officio members: an appointee from the County Federation of Labor, and an appointee from the Coalition of Los Angeles County Unions. The CEO also designates a County manager to attend QPC meetings.

Members are appointed, as much as possible, based on special knowledge of productivity or related techniques, and serve for three years, or until a qualified successor is appointed.

The Commission is required to meet at least eight times per year. The QPC met 34 times from January 2008 and December 2011 (approximately eight times a year), with an average attendance of 13 (78%) members. Each commissioner has the option to receive a \$50 stipend for attending each Commission, Committee, and Subcommittee meeting, and other approved activities on behalf of the Commission. Commissioner compensation may not exceed \$2,400 annually. One commissioner declined compensation during this evaluation period.

The Commission's costs for Fiscal Years (FY) 2009-10 and 2010-11 were \$543,470 and \$529,163, respectively. These costs are primarily salaries and employee benefits for the Commission's three support staff (\$450,743 in FY 2009-10 and \$447,527 in FY 2010-11), and services and supplies.

JUSTIFICATION

During this review period, the Commission's accomplishments included the following:

- Visited an average of 15 departments a year to assess and encourage quality and productivity improvements and programs. The departments reported an average of \$252 million in estimated annual benefits; \$135 million in cost avoidance, \$60 million in cost savings, and \$57 million in revenue from quality and productivity programs.
- Studied solutions for detecting and responding to forest and brush fires, and made four recommendations to improve early detection, rapid all weather 24-hour response, and suppression of wild land fires.
- Awarded \$6.5 million in grants/loans through the Productivity Investment Fund (PIF) Program to 38 departmental programs to increase productivity and improve public services. The Commission also shared the results of the programs with other County departments through seminars and publications.
- Funded the Enterprise Master Person Index (EMPI) submitted by the Departments of Health Services, Mental Health, and Children and Family Services. EMPI is an information-sharing database that identifies individual County residents who receive services from all three departments. The EMPI helps prevent duplication of services, links data on clients with critical needs, and makes it easier for recipients to locate County resources. EMPI will be used as a model for future inter-departmental programs involving the Auditor-Controller, County Counsel, and the CEO.

The Commission's objectives for the next review period are to:

- Foster productivity and quality improvement through continued department visits.

- Maintain funding for the Commission's PIF Program to continue to offer loans and grants to County departments for projects designed to improve services.
- Develop formal written procedures for loan repayments, to ensure that PIF loans are repaid, and interest is properly applied to the fund balance.
- Increase the PIF funds available for quality and productivity projects by investigating the possibility of receiving funds from non-County sources, and create policies and procedures to pursue and receive non-County funds.
- Design an online e-learning course for department productivity managers to explain their duties and responsibilities, and create a skills matrix that new managers can use to become leaders in quality and productivity improvement.

Please call me if you have any questions, or your staff may contact Robert Campbell at (213) 253-0101.

WLW:JLS:RGC:MMW

Attachment

c: William A. Sullivan, Esq., Chair, Quality and Productivity Commission
Victoria Pipkin-Lane, Executive Director, Quality and Productivity Commission
Lorayne Lingat, Deputy Executive Officer, Board Operations
Angie Johnson, Chief, Commission Services

COMMISSION SUNSET REVIEW
LOS ANGELES COUNTY QUALITY AND PRODUCTIVITY COMMISSION
REVIEW COMMENTS

Mission. (Does the mission statement agree with the Board of Supervisors' purpose and expectations?)

The stated mission is as set forth in the ordinance establishing the Commission.

CONCUR

Section 1. Relevance. (Is the mission still relevant and in agreement with the Board of Supervisors' purpose and expectations?)

The Commission's programs and recommendations improve the quality and productivity of services provided by County departments and employees, and result in cost savings and cost avoidance.

The Commission's mission appears to be **RELEVANT**.

Section 2. Meetings and Attendance. (Are required meetings held and is attendance satisfactory?)

The Commission is required to meet a minimum of eight times per year. The QPC met 34 times from January 2008 and December 2011 (approximately eight times a year), with an average attendance of 13 (78%) members.

The Commission's meeting frequency and attendance is **SATISFACTORY**.

Sections 3 and 4. Accomplishments and Results. (Are listed accomplishments and results significant?)

During this review period, the Commission's accomplishments included the following:

- Visited an average of 15 departments per year to assess and encourage quality and productivity improvements and programs. The departments reported an average of \$252 million in estimated annual benefits; \$135 million in cost avoidance, \$60 million in cost savings, and \$57 million in revenue from quality and productivity programs.
- Studied solutions for detecting and responding to forest and brush fires, and made four recommendations to improve early detection, rapid all weather 24-hour response, and suppression of wild land fires.
- Awarded \$6.5 million in grants/loans through the Productivity Investment Fund (PIF) Program to 38 department programs to increase productivity and improve public services. The Commission also shared the results of the programs with other County departments through seminars and publications.

- Funded the Enterprise Master Person Index (EMPI) submitted by the Departments of Health Services, Mental Health, and Children and Family Services. EMPI is an information-sharing database that identifies County residents who receive services from all three departments. The EMPI helps prevent duplication of services, links data on clients with critical needs, and makes it easier for recipients to locate County resources. EMPI will be used as a model for future inter-departmental programs involving the Auditor-Controller, County Counsel, and the CEO.

The Commission's accomplishments and results are **SIGNIFICANT**.

Section 5. Objectives. (Are the objectives compatible with the mission and goals and relevant within the current County environment?)

The Commission's objectives for the next review period are to:

- Foster productivity and quality improvement through continued department visits.
- Maintain funding for the Commission's PIF Program to continue to offer loans and grants to County departments for projects designed to improve services.
- Develop formal written procedures for loan repayments, to ensure that PIF loans are repaid, and interest is properly applied to the fund balance.
- Increase the PIF funds available for quality and productivity projects by investigating the possibility of receiving funds from non-County sources, and create policies and procedures to pursue and receive the non-County funds.
- Design an online e-learning course for department productivity managers to explain their duties and responsibilities, and create a skills matrix that new managers can use to become leaders in quality and productivity improvement.

The Commission's future objectives appear **RELEVANT**.

Section 6. Resources. (Are the resources utilized by the entity in support of the entity's activities warranted in terms of the accomplishments and results?)

The Commission's reported costs for Fiscal Years (FY) 2009-10 and 2010-11 were \$543,470 and \$529,163, respectively. This consisted primarily of salaries and employee benefits for the Commission's three staff support (\$450,743 in FY 2009-10, and \$447,537 in FY 2010-11), and services and supplies.

The Commission's expenses appear to be **WARRANTED**.

Section 7. Recommendation.

**EXTEND THE SUNSET REVIEW DATE FOR THE LOS ANGELES COUNTY
QUALITY AND PRODUCTIVITY COMMISSION TO December 31, 2016.**